

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590



REPLY TO THE ATTENTION OF S-6J

APR 0 5 2006

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

John G. Nevius, Esq. Anderson, Kill and Olick 1251 Avenue of the Americas New York, NY 10020-1182

Re: General Notice of Potential Liability to Gould Paper Co. for Time-Critical Removal

Action at Georgia-Pacific Kalamazoo and Hawthorne Mill Properties

Dear Mr. Nevius:

The United States Environmental Protection Agency ("U.S. EPA") has documented the release or threat of release of hazardous substances, pollutants and contaminants into the environment from two former paper mill properties currently owned by the Georgia-Pacific Corporation: (1) the former mill property located at 2425 King Highway, Kalamazoo, Michigan (the "Kalamazoo Mill"); and (2) the former mill property located immediately east of the Kalamazoo Mill with no known address, but which is commonly referred to as the "Hawthorne Mill" (collectively, the "Mill Properties"). U.S. EPA is planning to spend public funds to investigate and control these releases. This action will be taken by U.S. EPA pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (1986) ("CERCLA"), unless U.S. EPA determines that such action will be done properly by a responsible party or parties. As you may already be aware, U.S. EPA is currently negotiating with Georgia-Pacific for the performance of the required response work. Responsible parties under CERCLA include the current and former owners and operators of the facility, persons who generated the hazardous substances, and persons who were involved in the transport, treatment, or disposal of the hazardous substances at the facility. Under Section 107(a) of CERCLA, where U.S. EPA uses public funds towards the cleanup of the hazardous substances, responsible parties are liable for all costs associated with the removal or remedial action and all other necessary costs incurred in cleaning up the facility, including investigation, planning, and enforcement costs.

U.S. EPA is currently planning to conduct the following actions at the Mill Properties:

- 1. Excavation of wastes containing polychlorinated biphenols ("PCBs") and, potentially, other wastes containing other hazardous substances currently located in the "Refuse Area" of the Kalamazoo Mill property;
- 2. Characterization, as necessary, of wastes removed from the Refuse Area and disposal, as appropriate, in either an off-site landfill or in the A-Site portion of the Willow Blvd./A-Site landfill (Operable Unit #2 of the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund Site);
- 3. Excavation and disposal of wastes contaminated with PCBs from the Oxbow Area of the Hawthorne Mill property;
- 4. Consolidation of wastes removed from the Oxbow Area with wastes currently located in the A-Site portion of the Willow Blvd./A-Site landfill;
- 5. Erosion control, as necessary, at the Refuse Area and the A-Site portion of the Willow Blvd./A-Site landfill; and
- 6. Mitigation activities in the floodplains associated with the Refuse Area of the Kalamazoo Mill property and Oxbow Area of the Hawthorne Mill Property.

U.S. EPA has received information that Gould Paper Co. ("Gould") may have owned or operated the Hawthorne Mill property or generated hazardous substances that were disposed of at that facility. By this letter, U.S. EPA notifies Gould of its potential liability with regard to this matter and encourages Gould, as a potentially responsible party, to agree to reimburse U.S. EPA for costs incurred to date and to voluntarily perform or finance the response activities which U.S. EPA has determined or will determine are required at the Mill Properties. U.S. EPA is willing to discuss with Gould the entry of an appropriate administrative consent order under which Gould would perform or finance response activities and reimburse U.S. EPA for its costs. If a consent order cannot be promptly concluded, U.S. EPA may issue a unilateral order under Section 106 of CERCLA, requiring Gould to perform specified work. Under Sections 106 and 107 of CERCLA, Gould may be liable for reimbursement of U.S. EPA's costs, for statutory penalties, and for treble damages for noncompliance with such an order.

Because of the conditions described above, U.S. EPA believes that response activities at the Mill Properties must be initiated as quickly as possible. Therefore, U.S. EPA does not intend to utilize the special notice procedures available under Section 122(e) of CERCLA.

As a potentially responsible party, Gould should notify U.S. EPA in writing within ten (10) days of receipt of this letter of its willingness to perform or finance the activities described above and to reimburse U.S. EPA for its costs. Gould's response should be sent to:

Shari Kolak U.S. EPA - Region 5 77 West Jackson Boulevard SR-6J Chicago, IL 60604-3590

If U.S. EPA does not receive a timely response, U.S. EPA will assume that Gould does not wish to negotiate a resolution of its potential responsibility in connection with the facility and that Gould has declined any involvement in performing the response activities.

U.S. EPA understands that you represent Gould in connection with this matter, and that any future contact with Gould should be through you. If the Agency's understanding is incorrect, then Gould's response should indicate the appropriate name, address, and telephone number for further contact with the company. If Gould is already involved in discussions with State or local authorities or involved in a lawsuit regarding this facility, Gould may continue such activities as it deems appropriate. This letter is not intended to advise Gould or direct Gould presently to restrict or discontinue any such activities already underway; however, Gould is advised to report the status of those discussions or actions in its response to this letter and to provide a copy of its response to any other parties involved in those discussions or actions.

If you need further information regarding this letter, you may contact Eileen L. Furey of the U.S. EPA Office of Regional Counsel at (312) 886-7950.

Due to the nature of the problem at the Mill Properties and the attendant legal ramifications, U.S. EPA strongly encourages Gould to submit a written response within the time frame specified herein. We hope Gould will give this matter its immediate attention.

Singerely yours,

Linda M. Nachowicz, Chief Emergency Response Branch